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Mr Andrew McGowan
Inquiry Secretary
Standing Committee on Infrastructure and Communications
PO Box 6021
CANBERRA ACT 2600

Dear Mr McGowan

**Submission to the House of Representatives Standing Committee on Infrastructure
and Communications New Enquiry into the National Broadband Network**

Port Stephens Council is pleased to support the provision of the National Broadband Network and recognises the significant benefits to its economic, social and environmental stability as a vibrant and nationally important region.

Port Stephens Council passed a resolution on 14 December 2010 that:

1. Joins with other Council's in the Hunter Region and the Central Coast Region to advocate to the Commonwealth Government that high priority be given to the rollout of the National Broadband Network in the Hunter Valley and Central Coast.
2. Acknowledges that there will be challenges in terms of civil works to enable the rollout, but council is committed to working with NBN Co to facilitate the minimisation of inconvenience to the community.

We were also pleased to contribute to the RDA – Hunter & Central Coast submission and are committed to work in cooperation with the other members of Hunter Councils Inc, to ensure a smooth passage of the NBN roll out is achievable in our region.

Following is our response to the terms of reference investigating the impact on our capacity of the National Broadband Network:

1. Executive Summary

Regardless of how you look at our region, we are in a competitive environment. For our region to be sustainable and to prosper we need to have a competitive economy, a robust community, and a healthy environment. The National Broadband Network will bring enhanced opportunities for technology and innovation based economic development, dispersed small business development, social and environmental benefits that, combined, contribute to a sustainable region in a highly competitive connected world.



2. Regional Snapshot

Port Stephens is a growth area with a population of over 64,000 people, and an anticipated growth of some 23,000 people over the next 15 years.

Boasting a vibrant economy that attracts new businesses, young families, retirees and everyone in between, Port Stephens is a true investment in your lifestyle, business and employment future. This rapidly growing area is just a two hour drive north of Sydney, has a strong community spirit and an amazing range of sporting, cultural and community organisations.

Newcastle Airport is approximately 30 minutes drive from the two main centres, Raymond Terrace and Nelson Bay, and connects Port Stephens to the rest of Australia with six airlines offering daily services to east coast destinations including Sydney, Brisbane, Melbourne, Canberra, and the Gold Coast.

The region also offers a highly efficient transport infrastructure providing fast links within the region and to the rest of NSW, Australia and the world. Major employment industries in the region include retail, tourism, government & defence, transport & logistics, manufacturing, and construction.

Key business drivers for the region include Newcastle Airport, Williamtown RAAF Base, Tomago Aluminium and supporting industries play a significant role in the local and regional economy. Residents enjoy all of the lifestyle attributes without the high cost of city living.

3. Benefits of National Broadband Network to Port Stephens LGA

i. Delivery of Government services and programs

Port Stephens is a geographically dispersed LGA stretching across 979 square kms from Fern Bay to the south to Karuah in the North, from Raymond Terrace in the west to Nelson Bay in the east. In between are a number of population centres distanced from physical Local Government administration services, State Government agency services, and Federal Government agency services, some of which are located in the service centre of the LGA, Raymond Terrace.

Open Government initiatives are resulting in the increased interest among government departments and agencies in utilising new technologies in the delivery of their services and policy. An improvement in broadband connection speeds within the Port Stephens LGA will bring government services and policy delivery closer to our residents and businesses. This will be effective for all levels of Government, including the ability for Port Stephens Council to establish data kiosks to enable remote customer service and mobile concierge style interfaces to meet the need of our customers via IP video customer service and data interactivity.

High capacity data connectivity will greatly assist the decentralisation of State Government services. Decentralising Government services has been identified by the new NSW State Government as one of their priorities, and the provision of the National Broadband Network along with our significant lifestyle and location benefits will position

Port Stephens as a prime candidate for the location of some Government services and the economic benefits this would bring.

The direct benefit to our communities will come as a result of the innovative application of new digital technologies allowing us to digitise more services and program delivery to better service our dispersed and remote residents.

ii. Delivery of health services

Port Stephens LGA has a significant aging population due to its attraction as a retirement location. It is also an LGA without a hospital. This places pressure on our existing health facilities and services, a pressure that will continue to increase as our population ages.

The National Broadband Network will facilitate improvement in IP video which can allow the remote delivery of practiced health care, more advanced eHealth information systems will increase the efficiency in accessing health services and reducing their costs for our ageing population.

iii. Improving educational resources and training

Sadly Port Stephens has difficulty in retaining its young people once they complete secondary education. Port Stephens is poorly serviced by tertiary education without either a TAFE or University Campus. The National Broadband Network will drive innovation in the delivery of education to the home, thus ameliorating the need for our young people to leave home in order to further their education.

Barriers to education, both geographic and financial, will be reduced as more of education services can be delivered online using video and other innovative applications to enhance the education experience for an increased number of remote participants.

iv. Contribution to Environmental Sustainability

Port Stephens is a large LGA poorly serviced by public transport. Many services are located in Raymond Terrace or outside of the LGA in Newcastle necessitating private car travel over 45km from Nelson Bay to Raymond Terrace & 60km from Nelson Bay to Newcastle. This same situation exists for transport to work for up to half of Port Stephens' residents who are required to drive outside of the LGA to their place of employment.

The National Broadband Network will greatly increase the ability to work from home and to access services delivered digitally which, in turn, reduces the need to drive polluting vehicles.

The ability to conduct business transactions via eCommerce also reduces the carbon footprint of each business, increased digitalisation of products and services will reduce the amount of traditional transport logistics required in the supply chain. High capacity broadband technology applied to the public transport system can increase its efficiency through dynamic route planning and passenger management reducing the number of polluting vehicles on the roads and rails.

Increased broadband capacity translated into technological advancement and innovation, when applied to research and development in clean energy, can lead to reduced emissions and to a cleaner region.

v. Promoting Regional Economic growth and employment

The NBN will facilitate a paradigm shift in the way business is conducted. There will be businesses not yet existing that can only exist with high capacity broadband providing services and products we don't yet know about. There will be methods of transactions that will shorten supply chains, increase market reach, digitalise products, and allow greater communication with customers. Geography will no longer be a barrier to accessing and retaining the highest quality talent. Enhanced opportunities for innovation, increased productivity, new product development, increased research capabilities, accelerated learning and diffusion of discovery throughout industry and the wider economy increases the total economic pie and everyone gets a larger share.

The reduction of the distance in the supply and value chains, and the greater access to the best quality talent via telecommuting means that businesses currently located in Sydney, or anywhere else, can safely relocate to Port Stephens and continue to grow. This increases the numbers of businesses in Port Stephens and increases employment opportunities.

All businesses in Port Stephens can take advantage of cost savings driven by greater efficiencies from the application of new technologies, meaning our businesses can invest in employing more people and growing the local economy.

Port Stephens is an area of high population growth and with the increase in population destined to fill new residential areas in Kings Hill (a new township accommodating 4,500 new homes) and Medowie, the demand for broadband infrastructure will also increase. Employment opportunities in new development areas such as the defence and aviation hub (Williamstown Aerospace Centre), and industrial developments in Tomago (including Northbank Enterprise Hub) will cater for the increase in labour stock. The new business themselves, attracted by the increased labour stock, will benefit greatly by the National Broadband Network to increase logistic efficiencies, connection to their supply and value chains, and increase their market potential.

vi. Small Business development

Port Stephens, like all regional areas, is geographically distance from the large population centres of Sydney and other capital cities. These large population centres contain current and potential markets of many of Port Stephens small business particularly in the areas of Tourism, the creative industries, and the home based business sector. Small Business will benefit most by a significantly shorter distance between the business and their market and a significantly larger market reach.

For Port Stephens in particular the economic development benefits brought to the LGA by the National Broadband Network will apply to all businesses, but in regard to tourism and marketing the effects will be more immediately felt with the ability to process bookings and reach markets significantly improved and the leveling of the competitive

playing field in regard to broadband access across the LGA assisting tourism development in Karuah, and the Tilligerry.

vii. Innovation, Research & Development

Port Stephens is home to a defence and aviation sector that will grow dramatically with the release of 120 hectares of specially zoned land adjoining RAAF Base Williamtown and Newcastle Airport. This will be home to leading edge technology and innovation around supplying support and maintenance services to the new F35 Joint Strike Fighter aircraft due to arrive in 2017.

New businesses will be attracted to the area and the diffusion of technology developed will be greatly enhanced by the National Broadband Network benefiting not only businesses in Port Stephens, but nation wide. The Williamtown Aerospace Centre defence & aviation technology and support hub will begin to develop from 2012 and will host up to 103 businesses creating over 5,000 jobs creating a large demand for high capacity broadband services.

In addition, a great deal of research & development takes place in Port Stephens, not only in the defence and aviation industry but in chemical engineering, metallurgy, and associated sectors. Port Stephens is home to Tomago Aluminium one of Australia's largest aluminium smelters, and electrical engineering firm AmpControl, who encourage innovation and supporting businesses to emerge around them. These kinds of businesses attract new technology and research & development investment from the University of Newcastle and the University of Technology Sydney via the Australian Research Council, and would greatly benefit from the National Broadband Network.

High capacity broadband will allow our businesses to greatly increase their research capabilities, distribute intellectual property for commercial gain and to apply to new products, services, and processes to grow their own business developing industry knowledge and increasing regional capabilities.

viii. Community & Social benefits

The NBN will enable the more efficient delivery of vital services of the kind addressed in each of the above points, and more importantly, increase access and reduce inequity of access to vital services and entertainment.

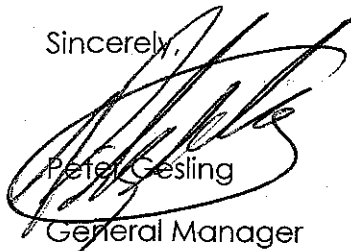
The NBN will have a great and positive impact on how our community lives, works, and plays. Our community will grow stronger and become more competitive among other regions in the ability to access optimum communications, ability to enjoy the natural amenity of the region, enjoy work/lifestyle balance, enjoy a retirement secure with access to enhanced health services, and freedom to access all kinds of entertainment.

With National Broadband Network infrastructure in use, the community decreases their service transaction time and as a result can expect a reduction in the cost of accessing vital services increasing social well being.

Concluding Remark

Port Stephens Council stands ready to assist the Federal Government and NBNCo in the roll out of this vital infrastructure and is pleased to contribute to this inquiry into the benefits of the National Broadband Network from a regional perspective and is happy to be contacted should any further information be required.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Gesling', is written over the printed name.

Peter Gesling

General Manager

Port Stephens Council